

DOCKET NO. 92-77

FLORIDA
PUBLIC
TELECOMMUNICATIONS
ASSOCIATION

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July 29, 1994

Office of the Secretary
Federal Communications Commission
1919 M Street, N.W.
Washington, D.C. 20554

RECEIVED
AUG 1 1994
FCC MAIL ROOM

Re: Docket No. 92-77

Dear Sir:

Enclosed please find the original and nine copies of the Comments of the Florida Public Telecommunications Association, Inc. in response to the Order released by the Federal Communications Commission on June 6, 1994, inviting comments to supplement the record in the above-captioned proceeding.

Copies of this filing have been served as indicated on the Certificate of Service attached to the Comments.

Thank you for your assistance with this filing.

Sincerely,



Angela B. Green
General Counsel

Enclosures

92-77.abg

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BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION

WASHINGTON, D.C.

In the Matter of)
Billed Party Preference)
For 0+ InterLATA Calls)
_____)

CC Docket No. 92-77

RECEIVED

AUG 1 1994

COMMENTS OF THE
FLORIDA PUBLIC TELECOMMUNICATIONS ASSOCIATION, INC.

FCC MAIL ROOM

The Florida Public Telecommunications Association, Inc. ("FPTA"), through its undersigned attorney, hereby submits the following comments in response to the Order released by the Federal Communications Commission ("FCC" or the Commission) on June 6, 1994, inviting comments to supplement the record in the above-captioned proceeding.

STATEMENT OF INTEREST

FPTA is a domestic, not-for-profit corporation organized pursuant to Chapter 617, Florida Statutes. The membership of FPTA includes more than 100 competitive providers of independent public payphones ("IPPs") and other telecommunications services. FPTA's goals include, among other things, promoting competition and a high level of service in the telecommunications arena. FPTA members subscribe to a code of ethics that applies to all of their business operations, not just the telecommunications field.

COMMENTS

Although Billed Party Preference ("BPP"), on its face, appears to provide benefits to consumers, FPTA believes that BPP will actually harm consumers in the long run by imposing new and unnecessary costs and ultimately reducing competition.

The telephone companies' comments to the FCC thus far indicate that it will cost at least one and one-half billion dollars to implement BPP, with annual maintenance costs estimated at approximately two hundred fifty million dollars. Even the parties who support BPP have admitted that it will probably not be possible to recover all of these costs from the relatively few users of the service. Therefore, it appears that the public at large will be required to subsidize a service they rarely, if ever, use.

The situation described above becomes even more untenable in light of record evidence that the vast majority of interLATA calls made today are made by the billed party who already has access to the long distance carrier of his choice through access codes. Indeed, the problem BPP was meant to solve has already been addressed through Congress' enactment of the Telephone Operator Consumer Services Improvement Act of 1990 ("TOCSIA"), along with subsequent enforcement of this mandate by the FCC. To the extent some providers do not comply with TOCSIA, those individual violators should be punished, not the industry as a whole.

BPP will grant local telephone companies bottleneck control over the initiation and routing of calls. Market power will tend to concentrate itself among the existing "full service" long

distance carriers, as many small operator service providers ("OSPs") and regional interexchange carriers ("IXCs") are squeezed out of the marketplace. It will become difficult, if not impossible, to introduce new competitive service features due to the lack of direct interaction between the customer and the IXC's operator system.

Payphones now exist in many locations that were previously unserved before the introduction of competition in pay telephone service. The reduction in competition caused by BPP will serve to destroy the incentives that have led to greater overall payphone availability and improved levels of service. In the institutional marketplace, such as prisons, universities, and health care facilities, competition has brought many benefits to these facilities that would not otherwise exist absent vigorous competition to secure these locations. BPP will eliminate these gains, with no assurance of any return.

Competition in the telecommunications arena has been a boon to the economies of the states and this nation. Telecommunications is an advanced, high-tech industry that is environmentally sound and offers an above-average wage scale. Thousands of new companies prosper today that did not exist ten years ago. These companies employ hundreds of thousands of our citizens and contribute many millions of dollars to state and federal tax rolls. Competition in telecommunications has been a major factor in spurring an otherwise sluggish economy over the last decade. BPP will exact an economic

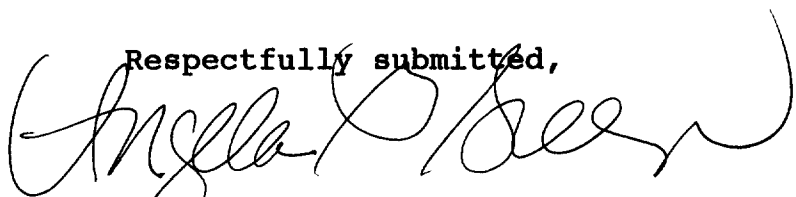
toll, far beyond its implementation costs, which will be felt for years to come.

In closing, FPTA notes that BPP faces broad-based opposition from all segments of the telecommunications industry, including many IXCs, OSPs, and even some Regional Bell Operating Companies. Premises owners, including state governments, hotels and motels, convenience stores, airports, universities, retailers, prison administrators, and local government, also oppose BPP. This coming together of such diverse groups toward one end is telling, and should serve to guide the Commission in its further consideration of this matter.

CONCLUSION

For the reasons set forth herein, FPTA respectfully requests that the Commission find that BPP is not in the public interest and close this docket. FPTA believes that BPP will harm consumers by imposing new and unnecessary costs and will ultimately reduce the competition that exists today in the telecommunications arena. Such a reduction in competition will be far reaching, with many unintended side effects.

Respectfully submitted,

A large, stylized handwritten signature in black ink, appearing to read 'Angela B. Green'.

Angela B. Green
Florida Public Telecommunications
Association, Inc.
315 S. Calhoun St., Suite 710
Tallahassee, Florida 32301

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that copies of the foregoing Comments of the Florida Public Telecommunications Association, Inc. were furnished by Federal Express overnight service this 29th day of July, 1994, to the following:

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Federal Communications Commission
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BY: 

ANGELA B. GREEN